

Budget Digest

Chairman Diane Black

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ENFORCING THE BUDGET RESOLUTION

Little discussed in last week's budget debate were the significant enforcement provisions in the House-passed Fiscal Year 2018 Concurrent Resolution on the Budget (H. Con. Res. 71). These measures are critical for making the budget's 10-year fiscal plan work. The resolution includes a ceiling on total spending, a floor on revenue, a limit on discretionary appropriations in the form of a 302(a) allocation, and limits on the amount each authorizing committee can increase mandatory spending within its jurisdiction (also 302(a) allocations). Any legislation that breaches these spending and revenue limits is subject to points of order intended to preclude its consideration on the House floor. The House budget resolution augments these limits with additional restrictions, including the following:

Limits on Discretionary Appropriations. In addition to the 302(a) limit on discretionary appropriations, the budget resolution includes several rules intended to block bills that would circumvent this allocation. These rules include restrictions on savings claimed from mandatory spending that would never have occurred, and limits on funding made available in future years.

- Allocation for Overseas Contingency
 Operations/Global War on Terrorism (Section 302).
 Includes a separate spending category for the
 Overseas Contingency Operations/Global War on
 Terrorism from other discretionary appropriations
 for fiscal year 2018. The intent is to highlight this
 spending because it is not subject to discretionary
 spending limits.
- Limitation on Changes in Mandatory Programs
 [CHIMPs] (Section 303). Establishes a limit on
 certain CHIMPs savings credited to appropriation
 acts. This section strengthens enforcement of the
 Appropriations Committee's allocation and
 suballocations by limiting the amount of uncertain

- savings that Congress can use to meet the overall limit on discretionary spending.
- Limitation on Advance Appropriations (Section 304). Permits advance appropriations spending authority for the year following the budget year (currently fiscal year 2019) only for the accounts listed in the report or joint explanatory statement (for a conference report) accompanying the budget resolution.

Limitation on Long-Term Spending (Section 301). The House-passed budget provides a special rule intended to block legislation that swells dramatically just outside the budget window. It is triggered for any legislation that increases direct spending by \$2.5 billion or more within any of the four decades following the last year of the budget window (currently fiscal year 2028).

Estimates of Macroeconomic Effects of Major Legisalation (Section 307). The budget resolution also includes a special rule designed to capture the macroeconomic consequences of comprehensive tax reform and other major legislation that may affect economic growth. It directs the Congressional Budget Office to incorporate these effects in its cost estimates of major legislation. The estimates may be used to determine whether tax and spending legislation meet the limits established in the budget resolution.

A budget cannot work unless it is enforced. Therefore, in the forthcoming budget conference with the Senate, the House Budget Committee will advocate for these and other strenuous enforcement measures so they become binding on Congress as a whole.

Prepared by: Mary Popadiuk, Senior Counsel